

**NATIONAL  
INDIAN  
GAMING  
COMMISSION**

Mr. Harold Chesnin  
401 Second Avenue South  
Suite 500  
Seattle, Washington 98104

Dear Mr. Chesnin:

This letter responds to your request to review and approve the tribal gaming ordinance submitted on September 23, 1993, for the Confederated Tribes of the Chehalis Indian Reservation (the Tribe). This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA).

Under the IGRA and the regulations of the National Indian Gaming Commission (NIGC), the Chairman is directed to review ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required under the IGRA or the NIGC regulations that may be included in a tribal ordinance are not subject to review and approval. Also, such approval does not constitute approval of specific games.

It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

With the Chairman's approval of the Tribe's gaming ordinance, the Tribe is now required to conduct background investigations on its key employees and primary management officials. The NIGC expects to receive a completed application for each key employee and primary management official pursuant to 25 C.F.R. § 556.5(a) and an investigative report on each background investigation before issuing a license to a key employee or primary management official pursuant to 25 C.F.R. § 556.5(b).

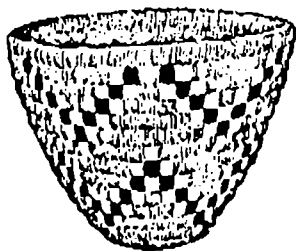
Thank you for submitting the ordinance of the Confederated Tribes of the Chehalis Indian Reservation for review and approval. The NIGC staff and I look forward to working with you and the Tribe in implementing the IGRA.

Sincerely yours,

Anthony J. Hope

Anthony J. Hope  
Chairman

cc: Magdalena Medina, Chairperson



# CONFEDERATED TRIBES of the CHEHALIS RESERVATION

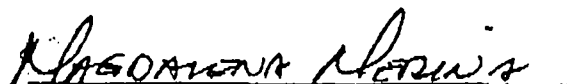
Resolution Number 1993-29  
RE: Gaming Ordinance Approval


WHEREAS: The Business Committee of the Confederated Tribes of the Chehalis Reservation is the duly constituted governing body of the Chehalis Indian Tribe, in accordance with the Constitution and By-Laws adopted by the voting members of the Tribe and approved by the Commissioner of Indian Affairs, and

WHEREAS: The Business Committee is responsible for protecting and enhancing the social, health, education, and economic well-being of Tribal members, and

WHEREAS: It is resolved that the Gaming Ordinance with respect to Class II and Class III Gaming on the Chehalis Indian Reservation is hereby approved and adopted immediately subject to the approval of the National Indian Gaming Commission.

CERTIFICATION: This Resolution, Number 1993-29, was duly considered and approved at a specially scheduled meeting of the Chehalis Business Committee held Wednesday, September 15th, 1993, at which a quorum was present. The vote being 3 For; 0 Against with 0 Abstentions, and with the Chairperson not voting.

  
Magdalena Medina  
Chairperson

  
Joan Martin  
Secretary



GAMING ORDINANCE  
OF THE  
CONFEDERATED TRIBES OF THE CHEHALIS INDIAN RESERVATION

I. Purpose

The General Council and the Business Committee acting pursuant to the Constitution of the Confederated Tribes of the Chehalis Indian Reservation (hereinafter the "Tribe"), with full power to enact ordinances, and further acting pursuant to the Class III Gaming Compact between the Tribe and the State (hereinafter the "Compact") hereby enacts this Gaming Ordinance in order to set the terms for Class II and Class III gaming operations on tribal lands.

II. Gaming Authorized

A. Class II and Class III gaming as defined in the Indian Gaming Regulatory Act, P.L. 100-447, 25 U.S.C. §2703(7)(A) and §2703(8), respectively (hereinafter "IGRA") and by the regulations promulgated by the National Indian Gaming Commission at 25 C.F.R. §502.3 (as published in the Federal Register at 57 FR 12382-12393, April 9, 1992) is hereby authorized.

B. Class I gaming, as defined in IGRA is hereby authorized.

III. Ownership of Gaming

The Tribe shall have the sole proprietary interest in and to and responsibility for the conduct of any gaming operation authorized by this ordinance.

IV. Use of Gaming Revenues

A. Net revenues from Class II and Class III gaming shall be used only for the following purposes:

- 1) To fund Tribal governmental operations and programs;
- 2) To provide for the general health and welfare of the Tribe and its members;
- 3) Promote Tribal economic development;
- 4) To fund the acquisition of lands to be taken into Tribal ownership, whether in fee or in trust;

5) To promote environmental and natural resource issues effecting the Tribe;

6) To donate to charitable organizations;  
and / or

7) To help fund operations of local government pursuant to the Compact.

B. In the event that the Tribe shall elect to make per capita payments to individual tribal members, it shall authorize such payments only upon approval in advance of a plan submitted to the Secretary of the Interior pursuant to 25 U.S.C. §2710 (b)(3).

#### V. Audits

A. The Tribe shall audit all Class III gaming facilities in the manner and pursuant to the terms of the Compact.

B. The Tribe shall cause an independent audit of the gaming operations to be conducted annually and shall submit the resulting audit report(s) to the National Indian Gaming Commission (hereinafter the "Commission").

C. All gaming related contracts that result in the purchase of supplies, services, or concessions in excess of \$25,000.00 per annum, except contracts for professional legal and accounting services, shall be specifically included within the scope of the audit(s) set forth above in V (B).

D. All audits shall include, inter alia, the following information:

- 1) gaming gross income;
- 2) other gross income related to gaming operations;
- 3) prizes or winnings paid;
- 4) operating expenses;
- 5) debt service amortization;
- 6) fees paid, including management fees;
- 7) payments made pursuant to the Compact; and
- 8) distribution to the Tribe.

## VI. Protection of the Environment and Public Health and Safety

A. All Class II and / or Class III gaming facilities shall be constructed, operated and maintained in a manner that protects the environment and the public health, safety and welfare.

B. All construction of Class II and / or Class III gaming facilities shall be constructed in conformity with the Uniform Building Code, unless specific variances are obtained from the Tribe.

## VII. Licensing Procedures

A. The Tribe shall ensure that the policies and procedures set forth in this Section shall be implemented with respect to key employees and primary management officials employed at any Class II and / or Class III gaming facility operated on Reservation lands.

B. With respect to Class III licensing procedures, the following shall apply:

- 1) Pursuant to the Compact and the terms thereof, which terms are incorporated herein, the State of Washington shall certify all Managers and employees of the Class III gaming operation.
- 2) Unless the Tribe shall determine to rely upon State certification, the Tribe shall also investigate and certify the Managers and employees of the Class III gaming operation.
- 3) In the event of a Tribal investigation, then the provisions with respect to Class II investigations shall apply.
- 4) The Tribe shall license all Class III and Class II gaming Managers and employees.

### C. Class II Gaming Key Employees and Primary Management Officials

1) Definitions: For the purposes of this section, the following definitions shall apply:

a) Key Employees means:

- (i) A person who performs one or more of the following functions:
  - (a) Bingo caller
  - (b) Counting Room Supervisor
  - (c) Chief of Security

- (d) Custodian of gaming supplies or cash
- (e) Floor Manager
- (f) Pit Boss
- (g) Dealer
- (h) Croupier
- (i) Approver of credit
- (j) Custodian of gambling devices including persons with access to cash and accounting records within such devices
- (ii) If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year; or
- (iii) If not otherwise included, the four most highly compensated persons in the Casino operation.

b) Primary management official means:

- (i) The person(s) having management responsibility for a management contract;
- (ii) Any person who has authority to hire or fire employees or to set up working policy for the gaming operation; or
- (iii) The chief financial officer or other person who has financial management responsibility.

2) Application forms

a) The following notice shall be placed on the Tribe's application form for a key employee or a primary management official before that form is filled out by the applicant.

"In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. 2701 et seq. The purpose of the requested information; to determine the eligibility of individuals to be employed in the Tribe's gaming operation. The information will be used by the National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions or when pursuant to a requirement by the Tribe or the National Indian Gaming Commission in connection with the hiring or firing of an employee, the issuance or revocation of a gaming license or certification, or investigations of activities while associated with the Tribe or its gaming

operations. Failure to consent to the disclosures indicated in this notice will result in the Tribe's being unable to hire you in a primary management official or key employee position.

The disclosure of your Social Security Number is voluntary. However, failure to supply a SSN may result in errors in processing your application."

b) Any existing key employee or primary management official shall be notified that they shall either complete an application form with the above set forth Privacy Act notice or sign a separate statement containing the said notice and thereby consent to the uses described therein.

c) An additional notice as set forth below shall be included on all Tribal application forms for key employees and primary management officials:

"A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment."

(18 U.S.C. 1001)

d) Any existing key employee or primary management official shall be notified that they shall either complete an application form with the above set forth notice regarding false statement in it or sign a separate statement containing the said notice and thereby consent to the uses described therein.

### 3) Background investigations

a) To the extent that the information is not collected in the State certification process set forth in the Compact, the Tribe shall obtain the following information from each primary management official and each key employee:

(i) Full name, other names (oral or written), social security number(s), birth date, place of birth, citizenship, gender, and all languages spoken or written;

(ii) Business and employment positions held for the last five (5) years, including ownership interests held in those businesses, business and residence addresses and drivers license numbers, all for the last five (5) years;

(iii) The names and current addresses of at least three (3) personal references, including one personal reference who was acquainted with the applicant during each period of residence listed above;

(iv) Current business and residence telephone numbers;

(v) A description of any current or previous business relationships with Indian tribes, including ownership interests in those businesses;

(vi) A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;

(vii) The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;

(viii) For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved and the date and disposition, if any;

(ix) For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations), within 10 years of the date of the application, the name and address of the court involved and the date and disposition;

(x) For each criminal charge (excluding minor traffic charges), whether or not there is a conviction, if such criminal charge is within 10 years of the date of the application and is not otherwise listed pursuant to the paragraphs set forth above, the criminal charge, the name and address of the court involved and the date and disposition;

(xi) The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;

(xii) A current photograph;

(xiii) Any other information the Tribe deems relevant; and

(xiv) Fingerprints consistent with procedures adopted by the Tribe according to 25 U.S.C. 522.2(h).

b) To the extent that the Tribe does not rely upon the certification provided by the State of Washington, the Tribe shall conduct an investigation sufficient to make a determination under the provisions set forth below. In



conducting a background investigation, the Tribe shall promise to keep confidential the identity of each person interviewed in the course of the investigation.

#### 4) Eligibility Determination

The Tribe shall review a person's prior activities, criminal record, if any, and reputation, habits and associations to make a finding concerning the eligibility of a key employee or primary management official for employment in its gaming operation. If the Tribe determines that the employment of the person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances dangers of unsuitable, unfair or illegal practices and methods and activities in the conduct of gaming, then the Tribal gaming operation(s) shall not employ that person as a key employee or a primary management official.

#### 5) Procedures for Forwarding Applications and Reports for Key Employees and Primary Management Officials to the National Indian Gaming Commission.

a) When a key employee or a primary management official begins work at a gaming operation authorized by this Ordinance, the Tribe shall forward to the National Indian Gaming Commission a completed application for employment and conduct the background investigation and determination set forth above.

b) The Tribe shall forward the report set forth below to the National Indian Gaming Commission within 60 days after an employee begins work or within 60 days of the approval of this Ordinance by the Chairman of the National Indian Gaming Commission.

c) The gaming operation(s) shall not employ as a key employee or primary management official a person who does not have a license after 90 days.

#### 6) Report to the National Indian Gaming Commission.

a) Pursuant to the procedures set out above, the Tribe shall prepare and forward to the National Indian Gaming Commission an investigative report on each background investigation. An investigative report shall include the following:

(i) Steps taken in conducting a background investigation.

(ii) Results obtained.

(iii) Conclusions reached.

(iv) The bases for the conclusions.

b) The Tribe shall submit a copy of the eligibility determination along with the report.

c) If a license is not issued to an applicant, the Tribe shall notify the National Indian Gaming Commission and forward copies of its eligibility determination and investigative report to the National Indian Gaming Commission for inclusion in the Individual Records System.

d) With respect to key employees and primary management officials, the Tribe shall retain applications for employment and reports of background investigations for inspection by the Chairman of the Commission or his / her designee for no less than three (3) years from the date of the termination of employment.

#### 7) Granting a Gaming License

a) If, within a thirty (30) day period after the National Indian Gaming Commission receives a report, the Commission notifies the Tribe that it has no objection to the issuance of a license pursuant to the license application filed by a key employee or primary management official, the Tribe may issue a license to such applicant.

b) The Tribe shall respond to a request for additional information from the Chairman of the Commission concerning any key employee or primary management official. Such a request shall suspend the 30 day period set forth above until the Chairman has received the information requested.

c) If, within the thirty (30) day period, the Commission provides the Tribe with a statement itemizing objections to the issuance of a license, the Tribe shall reconsider the application, taking into account the objections. The Tribe shall then make a final decision as to whether to issue a license to the applicant.

#### 8) License Suspension.

a) If, after the issuance of a gaming license, the Tribe receives from the National Indian Gaming Commission reliable information indicating that a key employee or primary management official is not eligible for employment, the Tribe shall suspend such license and shall notify in writing the licensee of the suspension and the proposed revocation.

b) The Tribe shall notify the licensee of a time and place for a hearing on the proposed revocation.

c) After a revocation hearing, the Tribe shall decide whether to revoke or to reinstate the gaming license. The Tribe shall notify the National Indian Gaming Commission of its decision.

9) License Locations

The Tribe shall issue a separate license to each place, facility or location on the Reservation where Class II and / or Class III gaming is conducted under this Ordinance.

10) Provisions under the Confederated Tribes of the Chehalis Indian Reservation - State of Washington Compact.

With respect to Class III gaming only and so long as the Compact shall be in full force and effect and enforceable by the Tribe against the State of Washington, the following sections copies of which are attached hereto and made a part hereof shall be adopted by and incorporated in this ORDINANCE:

Section III, IV, V, IX (C), and Appendix A, as amended by the concurrence of the Tribe from time to time.

11) Amendment or Repeal

To the extent that any prior ordinance of the Tribe is inconsistent with the provisions of this Ordinance, then the said prior ordinance is hereby amended or repealed to the extent necessary to conform to this Ordinance.